Duke, Daphne

COPY 183981

From: Easterling, Deborah
Sent: Wednesday, January 24, 2007 3:29 PM
To: Nick Rigas
Cc: Duke, Daphne
Subject: RE: Docket No. 2005-385-E

Posted: D. Duke
Dept: SA-OIS
Date: 1-25-07
Time: 8:00

Dear Mr. Rigas:

This is to acknowledge receipt of your email to our PSC Website Comments.

I am forwarding your email to our Docketing Department for handling. Your email will become a part of this Docket and will be posted on our website under this Docket.

Please let me know if you should require any additional information.

Sincerely,

Deborah Easterling

From: Nick Rigas [mailto:nrigas@CLEMSON.EDU]
Sent: Monday, January 22, 2007 9:43 AM
To: Easterling, Deborah
Subject: Docket No. 2005-385-E

RECEIVED

JAN 25 2007

PSC SC
MAIL / DMS

South Carolina Public Service Commission
Attention: Charles L. A. Terreni
Chief Clerk/Administrator
101 Executive Center Drive
Columbia, SC 29211

Dear Mr. Charles L. A. Terreni,

I am filing the following written comments to you in accordance with Docket No. 2005-385-E - Order No. 2006-680 on the consideration of implementing the requirements of Section 1251 (Net Metering and Additional Standards) of the Energy Policy Act of 2005. I would like for the South Carolina Public Service Commission to seriously consider net metering and the potential is has to promote the development and use of distributive renewable energy technology in the residential, commercial and industrial sectors in South Carolina.

In 2006, it is estimated that South Carolinian's will spend $18 Billion on energy. However nearly 44%, or $8.1 Billions, will leave the state to purchase primary energy resources to create electricity, operate vehicles, heat homes and to purchase nuclear fuel for the states 7 nuclear reactors. Approximately $5.6Bn of the energy imported is for transportation fuels and the remaining $2.5Bn for out of state natural gas, coal and nuclear fuels to generate electricity. By 2025, South Carolinians will spend nearly *$20.1 Billion* on energy, a 12% increase from 2005 based on EIA estimates.

When compared to neighboring states in the Southeast, South Carolina consumes considerably more energy per capita then both Georgia and North Carolina. In 2005, South Carolina consumed 403 million BTU's per capita while Georgia consumed 10% less (366 million BTU's) and North Carolina consumed 29% less (313 million BTU's) per capita. South Carolinians spend the highest percentage of their average per capita income as well as the highest absolute amount of their average annual income on energy. South Carolinians' will spend nearly $4,186 or 14.7% of their annual average per capita income on energy in 2006. Therefore, it is easy to see why the production, the supply and the cost of energy all have a tremendous impact on South Carolina's economy. As South Carolina's population increases, and as each resident consumes even more energy, the future production and supply of energy is an important factor in securing South Carolina's economic growth.

South Carolina does not possess any fossil fuel resources in which to develop. Promoting the use of clean indigenous energy resources is important for a state that has an electrical infrastructure heavily dependent on nuclear energy and fossil fuels with the dependence on fossil fuels expected to grow significantly over the next 20 years surpassing that of nuclear. As the reliance on fossil fuels to generate electricity grows, more dollars will leave the state to pay for these fuels, dollars that could be kept in the state to support economic development.

In 2004, fossil fuels produced 39.5 M tons/year of greenhouse gases in South Carolina and are expected to grow to 60.2 M tons/year by 2025 according to the Energy Information Administration. Not only do the fossil fuels add to the growing energy trade deficit of the state but also impact the quality of life for its citizens. It is estimated that the emissions of burning fossil fuels adds $342 annually to the health care cost of each citizen in South Carolina through increased cases of asthma and other breathing related complications.

Net metering is a key factor in developing a viable distributive energy infrastructure that capitalizes on South Carolina's clean indigenous energy resources. In order for net metering to be effectively implemented proper procedures and standards are needed to ensure the technology is being integrated into the grid in a safe manner. This is a major concern for the utility companies and is valid. As a compromise one might consider a program where net metering is phased in over a period of several years allowing the experience level and knowledge to grow with the utilities, the electric cooperatives and the individuals interested in implementing net metering.

Net metering can benefit the state as a whole. If properly implemented all parties involved including utility companies and residents could benefit. Net metering can promote the utilization of clean renewable energy technology, reduce our state's reliance on fossil fuels, improve the environment, keep more energy related dollars circulating within the state and support the establishment of sustainable new industries based on alternative energy technology.

The issue of net metering is too important to be either approved or not approved. It is to the state's benefit to get all interested parties together to develop a viable plan that will phase in net metering and as well as address everyone's concerns.

Regards,

1/25/2007

Dr. Nicholas C. Rigas
Director, SC Institute for Energy Studies
Clemson University

Nicholas C. Rigas, DSc
Director
South Carolina Institute for Energy Studies
Clemson University
386-2 College Avenue
Clemson, SC 29634-5711
(864) 656-2267 phone
(864) 656-0142 fax
www.clemson.edu/scies